

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7610

BILL NUMBER: SB 520

NOTE PREPARED: May 4, 2007

BILL AMENDED: Apr 28, 2007

SUBJECT: Registry of Methamphetamine Manufacturing Sites.

FIRST AUTHOR: Sen. Young R Michael

FIRST SPONSOR: Rep. L. Lawson

BILL STATUS: Enrolled

FUNDS AFFECTED: ☒ **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill has the following provisions:

- A. *Registry of Methamphetamine Laboratories* -- It requires law enforcement agencies that seize a methamphetamine laboratory to notify the Criminal Justice Institute (CJI) of the laboratory's location. It requires the Criminal Justice Institute to operate a web site containing a list of properties that have been the site of a methamphetamine laboratory. It requires the Criminal Justice Institute to remove a listed property from the web site when the property has been remediated or two years after seizure of the property, and provides that records of listed properties that have been removed are confidential. It establishes a procedure for determining when to list certain rental properties in the process of remediation on the web site.
- B. *Methamphetamine Precursor Data Base Pilot Project* -- It requires the CJI to seek federal funds to establish and operate a methamphetamine precursor data base pilot project. It specifies that the pilot project must connect persons who: (1) sell a drug that contains the active ingredient of ephedrine or pseudoephedrine; and (2) record drug sales information in an electronic log under current law; to an electronic monitoring system that transfers the drug sales information to a central data base at the same time the drug sales information is recorded in the electronic log. It limits the pilot project to six counties. It allows only certain law enforcement officers to have access to information in the central data base. It requires persons who must collect and record sales information concerning drugs that contain ephedrine or pseudoephedrine in a paper or an electronic log to collect and record the information until June 30, 2012, instead of June 30, 2008.
- C. *Criminal Intelligence Assessments* -- It permits, when necessary to avoid imminent danger to life or property, criminal intelligence assessments to be released to a government official or to: (1) another individual whose life or property is in imminent danger; (2) another individual who is responsible for protecting the life or property of another person; or (3) another individual who may

be in a position to reduce or mitigate the imminent danger to life or property.

Effective Date: July 1, 2007.

Explanation of State Expenditures: *Summary* – This bill requires the CJI (CJI) to develop two related data bases. First, real estate properties on which methamphetamine labs were located and seized by state and local law enforcement agencies would be included in a registry that CJI would maintain. Second, CJI would develop an electronic log for retailers who sell medications that contain the active ingredient of ephedrine, pseudoephedrine, or both ephedrine and pseudoephedrine

Registry of Properties – The CJI has issued a request for proposal (RFP) to develop a website with properties listed where a methamphetamine laboratory has been found. CJI reported receiving two bids from the final vendors and is currently waiting to see how much money would be available from the existing budget for the project. CJI would only be able to operate the registry if the General Assembly appropriates specific money for this project.

The high bid is for roughly \$1 M. The high vendor proposes creating a system that would allow for future data from different sources to be linked. The state would also own the system and everything in it.

The lower bid, of around \$500,000, has a system already built for this specific purpose and would simply make small adjustments in the programming to meet Indiana specifications. The vendor would also retain ownership of the system.

Pilot Program for Electronic Log – The CJI has issued an RFP to develop an electronic log for recording information on sales of drugs that contain the active ingredient of ephedrine, pseudoephedrine, or both ephedrine and pseudoephedrine. Currently, most retail operations are recording this information in paper logs. Consequently, few law enforcement agencies are using these logs to track sales patterns of certain persons. CJI staff anticipate the initial cost to establish this data base to be approximately \$50,000 and the annual cost to maintain it to be \$35,000. CJI staff report that these provisions can be implemented within the current budget. The bill provides that the CJI is to attempt to obtain federal funds to establish, operate, and maintain the pilot project.

Under current law, the requirement for retail operators to record sales information on methamphetamine precursors (drugs containing ephedrine and pseudoephedrine) expires on June 30, 2008. This bill would extend this requirement to June 30, 2012.

Background on Methamphetamine Lab Seizures and Arrests– The number of methamphetamine lab seizures and arrests are shown in the following table.

Methamphetamine Arrests and Lab Seizures Conducted by the Indiana State Police by Year			
	<u>2004</u>	<u>2005</u>	<u>2006</u>
Lab Seizures	1,113	990	713
Persons Arrested	885	650	481

Criminal Intelligence Assessments – This provision is anticipated to have a minimal effect on state expenditures.

Criminal intelligence information is defined in statute as information on identifiable individuals compiled in an effort to anticipate, prevent, or monitor possible criminal activity, including terrorist activity. It does not include criminal investigative information which is information on identifiable individuals compiled in the course of the investigation of specific criminal acts (IC 5-2-4-1).

Criminal intelligence is developed by using surveillance, informants, interrogation, and research, or may be gathered on the "street" by individual police officers. The information is gathered or collated, analyzed, recorded, reported, and disseminated by law enforcement agencies concerning types of crime, identified criminals, and known or suspected criminal groups.

Under current law, this information is restricted to use only by other criminal justice agencies. A criminal justice agency is any agency or department of any level of government which performs as its principal function the apprehension, prosecution, adjudication, incarceration, rehabilitation of criminal offenders, or location of parents with child support obligations (IC 5-2-4-1). Releasing this information to any governmental official or any other individual that is not a criminal justice agency is a Class A misdemeanor. This bill would provide some exceptions if the person believes that releasing the information is necessary to avoid imminent danger to life or property.

Explanation of State Revenues:

Explanation of Local Expenditures: Local law enforcement agencies would be required to report terminating the operations of any methamphetamine laboratory to the CJI. These agencies already report this information to the Indiana State Police, the local fire department that serves in the area that the meth lab is located, and the county health department (IC 5-2-15-3).

Explanation of Local Revenues:

State Agencies Affected: Criminal Justice Institute; State criminal justice agencies.

Local Agencies Affected: Local law enforcement agencies; Prosecuting attorney offices.

Information Sources: Sarah Meyers, CJI, <http://www.answers.com/topic/criminal-intelligence>.

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